

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03

SP-02 LAB-04 EPG-02 SIL-01 OMB-01 L-03 EA-07 H-01

PA-01 PRS-01 /069 W

-----099366 181307Z /45

R 121344Z JUL 77

FM AMCONSUL ZAGREB

TO SECSTATE WASHDC 4596

INFO AMEMBASSY BELGRADE

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E.O. 11652: N/A

TAGS: ECEM, EFIN, ETRD, US, YO

SUBJECT: INA PURCHASES AMMONIA/UREA PLANTS

REF: ZAGREB 047

1. PULLMAN-KELLOGG AND INA (INDUSTRIA NAFTA) JULY 11 SIGNED AGREEMENT IN ZAGREB WHICH PROVIDES FOR CONSTRUCTION OF 1,000 TON PER DAY AMMONIA PLANT AND SAME CAPACITY UREA PLANT USING PULLMAN-KELLOGG TECHNOLOGY. PLANTS WILL BE CONSTRUCTED AT EXISTING INA COMPLEX NEAR KUTINA -- ABOUT FORTY MILES SOUTHEAST OF ZAGREB. PULLMAN-KELLOGG WILL PROVIDE CERTAIN ENGINEERING SERVICES AND UNDERTAKE FOREIGN PROCUREMENT OF EQUIPMENT FOR THESE PROJECTS. VALUE OF FOREIGN PROCUREMENT IS SLIGHTLY OVER DOLS 100 MILLION, WHILE TOTAL VALUE OF PLANTS INCLUDING OFF-SITE INSTALLATIONS WILL EXCEED DOLS 400 MILLION. PULLMAN-KELLOGG OFFICIALS ESTIMATE THAT THEY WILL BE RESPONSIBLE FOR APPROXIMATELY 3/4 OF VALUE OF PROJECT INCLUDING TECHNOLOGY, PROCUREMENT OF EQUIPMENT AND ENGINEERING SERVICES. CONSTRUCTION IS SCHEDULED TO BEGIN DURING 1978 WHEN FINANCING IS EXPECTED BE IN PLACE. THESE TWO PLANTS, USING LATEST VERSION OF TECHNOLOGY WHICH PULLMAN-KELLOGG HAS SOLD WIDELY THROUGHOUT THE

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WORLD INCLUDING EASTERN EUROPE, SOVIET UNION AND CHINA, WILL MORE THAN DOUBLE CURRENT YUGOSLAV OUTPUT OF UREA (APPROX 900 TONS PER DAY) AND WILL PROVIDE 70 PERCENT INCREASE IN AMMONIA PRODUCTION (ABOUT 2150 TONS PER DAY).

2. PULLMAN-KELLOGG SEEKING FINANCING THROUGH ITS BRITISH BANKERS-- MORGAN-GRENFELL AND GOLDMAN SACHS. YUGOSLAVS ARE ASKING THAT

TEN-YEAR FINANCING BE OBTAINED AND PULLMAN-KELLOGG WILL ATTEMPT TO SECURE SUCH TERMS.

3. MOST FOREIGN EQUIPMENT FOR PROJECT WILL BE SOURCED FROM FRANCE, HOLLAND AND US. PULLMAN-KELLOGG HAS SMALL (APPROXIMATELY DOLS 4 MILLION) COUNTER-TRADE REQUIREMENT FOR PROJECT. KAISER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, AGREEMENTS, AMMONIA, UREA
Control Number: n/a
Copy: SINGLE
Sent Date: 12-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Film Number: D770254-1215
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From: ZAGREB
Handling Restrictions: n/a
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 77 ZAGREB 47
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1883399
Secure: OPEN
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TAGS: ECEM, EFIN, ETRD, US, YO, PULLMAN-KELLOG, INA, INDUSTRIA NAFTA
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/a8efe66c-c288-dd11-92da-001cc4696bcc
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